



# Army Drawdown and Restructuring: Background and Issues for Congress

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## Summary

On January 26, 2012, senior DOD leadership unveiled a new defense strategy based on a review of potential future security challenges, current defense strategy, and budgetary constraints. This new strategy envisions a smaller, leaner Army that is agile, flexible, rapidly deployable, and technologically advanced. This strategy will rebalance the Army's global posture and presence, emphasizing where potential problems are likely to arise, such as the Asia-Pacific region and the Middle East.

As part of the Administration's proposal, two armored brigade combat teams (ABCTs) in Europe will be eliminated out of a total of eight BCTs that will be cut from Active Army force structure. The Army has stated that it may cut more than eight BCTs from the Army's current 44 Active BCTs. Army endstrength will go from 570,000 in 2010 to 490,000 during the Future Year Defense Plan (FYDP) period. As part of this reduction, the Army would no longer be sized to conduct large-scale, protracted stability operations but would continue to be a full-spectrum force capable of addressing a wide range of national security challenges. The Army National Guard and Army Reserves were not targeted for significant cuts. Army leadership stated the impending decrease in Active Duty Army force structure would place an even greater reliance on the National Guard and Reserves.

There will likely be a human dimension of the Army's drawdown. Troops have received an unprecedented level of support from the American public, and those soldiers leaving the service—voluntarily and perhaps involuntarily—might have strong personal feelings about leaving the Army and their comrades after multiple deployments to combat zones. The Army drawdown will likely be achieved in large degree by controlling accessions (i.e., the number of people allowed to join the Army). If limiting accessions is not enough to achieve the desired endstrength targets, the Army can employ a variety of involuntary and voluntary drawdown tools authorized by Congress, such as Selective Early Retirement Boards (SERBs) and Reduction-in-Force (RIF). Voluntary tools that the Army might use include the Voluntary Retirement Incentive, the Voluntary Separation Incentive, Special Separation Bonuses, Temporary Early Retirement Authority, the Voluntary Early Release/Retirement Program, and Early Outs.

The Administration's proposals to drawdown and restructure the Army have a number of strategic implications. These implications include the capability to conduct stability and counterinsurgency operations, the ability to fight two simultaneous wars, shifting strategic emphasis to the Asia-Pacific region, and how the Army will maintain presence in the Middle East. Other related concerns include reducing Army presence in Europe and the Army's role in the rest of the world.

Until the Army provides detailed plans on how many units will be cut, how remaining units will be structured, and where they will be based, it is difficult to determine the impact on Army weapon systems under development and the overall budgetary implications of the Army's plan.

Potential issues for Congress include the strategic risk posed by a smaller and restructured Army; the "health" of the Army given the impending downsizing; where the force will be based; and the role of the National Guard and Reserves. This report will be updated as circumstances warrant.

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## Importance to Congress

The Administration's proposal to reduce the size of the Army as well as restructure units and headquarters has national security implications that Congress will need to consider as part of its oversight and authorizations and appropriations role. In terms of size of the force, Congress sets the endstrength for both the Active and Reserve components of the Army. Congress also authorizes and appropriates funds needed for Army restructuring, training exercises, equipment, basing, and infrastructure, as well as the various manpower management tools the Army could use to drawdown the force. Administration decisions about the structure of the Army can have a significant impact on Army bases in a Member's district or state that can also have economic ramifications for communities around or near affected bases. The Administration's downsizing and restructuring proposals also can have a significant impact on local and state defense-related industries. Lastly, soldiers and their families who might be affected by the Administration's decisions constitute a unique element of Members' constituencies.

## The Administration's Decision to Drawdown and Restructure the Army

Most experts would agree the Administration's decision to reduce the size of the Army was an outgrowth of its decision to withdraw U.S. forces from Iraq by the end of 2011 and the stated intent of handing over security responsibilities for Afghanistan to the Afghan government and Afghan National Army by the end of 2014. The United States has routinely drawn down forces upon the completion of a major conflict, eschewing a "large standing army" during peacetime—although it can be argued that in a post-9/11 world, "peacetime" is a somewhat subjective term.

For the purposes of this report, the potential impact on the Army if *sequestration* of the defense budget is enacted under the provisions of the Budget Control Act of 2011 (P.L. 112-25) will *not* be examined. Although the Administration has provided Congress with the potential impact of sequestration on the Army and the other services, most agree the size and scope of the defense budget cuts under P.L. 112-25 would require significant reduction and restructuring of the services, which is currently beyond the scope of this report. Also beyond the scope of this report are U.S. Army Special Operations Forces, which, although part of the Army, fall under the control of U.S. Special Operations Command (USSOCOM).<sup>1</sup>

## Background

The foundation for the Army's drawdown and restructuring was laid in early 2011. A year later in January 2012, the Administration provided additional details on proposed force structure and global posture.

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<sup>1</sup> For information on U.S. Army Special Operations Forces and U.S. Special Operations Command, see CRS Report RS21048, *U.S. Special Operations Forces (SOF): Background and Issues for Congress*, by Andrew Feickert.

## **January 6, 2011, News Briefing with Secretary of Defense Gates and Chairman Admiral Mullen<sup>2</sup>**

On January 6, 2011, Secretary of Defense Robert Gates and Chairman of the Joint Chiefs of Staff Admiral Mike Mullen held a news briefing “announcing a number of decisions and measures that mark the next major step in this department’s reform agenda.” These decisions and measures, largely taken in response to fiscal pressures, involved a variety of cross-service actions, including consolidating and eliminating headquarters and organizations, modifying or eliminating weapon systems programs, and force reductions. Army force structure-specific actions included

- reduce Active Army endstrength by 27,000 troops starting in 2015, and
- acknowledgement there was “excess” force structure in Europe but no action would be taken until 2015 or without consultation with allies.

Secretary Gates noted the Army was also in the process of divesting itself of an additional 22,000 troops who were temporarily authorized in 2010 and this temporary endstrength would be eliminated by 2013. Combined with the 27,000 Active permanent endstrength reductions that will start in 2015, this represents a reduction of 49,000 Active Duty troops from FY2011 levels.

## **January 26, 2012, Administration Major Budget Decision Briefing<sup>3</sup>**

On January 26, 2012, senior DOD leaders unveiled a new defense strategy, based on a review of the current defense strategy and budgetary constraints. This new strategy envisions

- a smaller, leaner military that is agile, flexible, rapidly deployable, and technologically advanced;
- rebalancing global posture and presence, emphasizing where potential problems are likely to arise, such as the Asia-Pacific region and the Middle East;
- maintaining presence elsewhere in the world (Europe, Africa, and Latin America), using innovative partnerships, strengthening key alliances, and developing new partnerships;
- being able to quickly confront and defeat aggression from any adversary anytime, anyplace; and
- protecting and prioritizing key investments in technology and new capabilities as well as the capacity to grow, adapt, mobilize, and surge when needed.

During this briefing, the following Army force structure decisions were highlighted:

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<sup>2</sup> Information from this section is taken from U.S. Department of Defense News Transcript, “DOD News Briefing with Secretary Gates and Admiral Mullen from the Pentagon,” January 6, 2011.

<sup>3</sup> Information in this section is taken from U.S. Department of Defense News Transcript, “Major Budget Decisions Briefing from the Pentagon,” presented by Secretary of Defense Leon E. Panetta and Chairman of the Joint Chiefs of Staff General Martin E. Dempsey, January 26, 2012; U.S. Department of Defense News Transcript, “Major Budget Decisions Briefing from the Pentagon,” presented by Deputy Secretary of Defense Ashton B. Carter and Vice Chairman of the Joint Chiefs of Staff Admiral James A. Winnefeld Jr., January 26, 2012; and U.S. Department of Defense Publication, Sustaining U.S. Global Leadership: Priorities for 21<sup>st</sup> Century Defense, January 2012.

- **Asia-Pacific/Middle East:** Sustain Army structure in the Pacific;
- **Europe and Global Partners:**
  - Adjust Our Posture in Europe:
    - Eliminate two forward-stationed Army heavy brigades;
    - Maintain NATO Article 5 commitments<sup>4</sup> and ensure interoperability with allied forces by allocating a U.S.-based brigade to NATO Response Force;<sup>5</sup> and
    - Rotate U.S.-based Army units to Europe for training and exercises.
- **Forces No Longer Sized for Long-Term Stability Operations:**
  - Reduce Active Army endstrength. Army will go from about 570,000 in 2010 to 490,000 in the Future Year Defense Plan (FYDP); and
  - Preserve expertise in security force assistance and counterinsurgency.
- **Protecting the Potential for Future Adjustments:**
  - Retain a slightly more senior force in the Active Army to allow growth if needed;
  - Preserve Army organizational structure and training force to allow growth if needed; and
  - **Retain a Ready and Capable Reserve Component;**
    - **Reduce Army National Guard endstrength slightly;**
    - **Sustain increased readiness prior to mobilization; and**
  - Maintain key combat-support and combat service-support capabilities.

In addition to force structure and endstrength decisions, the Administration also made the following specific commitments:

- A significant land force presence would be maintained in Korea as well as an operationally responsive peacetime presence in the Middle East;
- In light of repositioning of forces overseas and eliminating force structure, the President would ask Congress to authorize the use of the base realignment and closure (BRAC) process;

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<sup>4</sup> According to NATO, <http://www.nato.int/terrorism/five.htm>, Article 5 of the Washington Treaty is the basis of a fundamental principle of the North Atlantic Treaty Organization. It provides that if a NATO Ally is the victim of an armed attack, each and every other member of the Alliance will consider this act of violence as an armed attack against all members and will take the actions it deems necessary to assist the Ally attacked. This is the principle of collective defense.

<sup>5</sup> According to NATO, [http://www.nato.int/cps/en/natolive/topics\\_49755.htm](http://www.nato.int/cps/en/natolive/topics_49755.htm), The NATO Response Force (NRF) is a highly ready and technologically advanced multinational force made up of land, air, maritime, and special forces components that the Alliance can deploy quickly to wherever it is needed. It is comprised of three parts: a command and control element from the NATO Command Structure; the Immediate Response Force, a joint force of about 13,000 high-readiness troops provided by Allies; and a Response Forces Pool, which can supplement the Immediate Response Force when necessary.



- The new strategic guidelines will require the Army to return to full-spectrum training, develop a versatile mix of capabilities, formations, and equipment to succeed on land, including environments where access will be contested; and
- Align a brigade combat team (BCT) with each geographic combatant command.

## **President's FY2013 Budget Request<sup>6</sup>**

On February 13, 2012, DOD publically released the President's FY2013 DOD Budget Request. On the whole, the FY2013 budget request did not provide additional details on how the Army would reduce Active Duty endstrength and how many and which BCTs and other supporting units and headquarters would be eliminated. The FY2013 Budget Request did, however, reaffirm the Army's 490,000 Active endstrength, the elimination of a minimum of eight BCTs, and a commitment to study brigade structure.

## **Brief History of Past Army Drawdowns**

### **Post-World War II<sup>7</sup>**

During World War II, the Army determined what its reasonable post-war strength should be and developed plans for a peaceful demobilization. Initially, the Army established a post-war goal of an Active and Reserve structure capable of mobilizing 4 million troops within a year of the outbreak of a future war. Later, the Army set the strength of the active ground and air forces at 1.5 million (the Army Air Corps did not become the U.S. Air Force until July 26, 1947, with the enactment of the National Security Act of 1947, P.L. 80- 235). The vast majority of servicemembers in the Army during World War II were draftees. The Army's demobilization plans provided for the release of troops on an individual basis based on points. Soldiers received point credits for length of service, combat participation and awards, time spent overseas, and parenthood. Also factoring into the Army's plans was the availability of shipping to bring overseas troops to the United States, as well as the capacity to process the discharged soldiers.

However, pressure for faster demobilization from the public, Congress, and the troops themselves affected the Army's plan for an orderly process. The Army responded by easing eligibility requirements and released half of its 8 million troops by the end of 1945. In early 1946, the Army slowed its return of troops from overseas to meet its constabulary requirements in Germany and Japan, which elicited another public outcry to speed up demobilization. Public opposition diminished after the Army more than halved its remaining strength during the first six months of 1946.

President Truman was determined to balance the national budget, which also affected the Army's manpower. The Administration's dollar ceiling for FY1947 led to a new maximum Army strength

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<sup>6</sup> Office of the Under Secretary of Defense (Comptroller)/Chief Financial Officer, "Overview: United States Department of Defense Fiscal Year 2013 Budget Request," February 2012.

<sup>7</sup> Information in this section, unless otherwise noted, is taken from Chapter 7: American Military History, Volume II, from Army Center for Military History website, <http://www.history.army.mil/books/AMH-V2/AMH%20V2/chapter7.htm>, accessed February 3, 2012.

of just over 1 million. In order to reach this new level, the Army stopped draft calls and released all post-war draftees along with any other troops eligible for demobilization. By June of 1947, the Army consisted of 684,000 ground troops and 306,000 airmen. Although considered large for a peacetime Army by American standards, the loss of many capable maintenance specialists resulted in widespread deterioration of equipment. Active Army units were understrength, had many barely trained replacements, and were considered “shadows of the efficient organizations they had been at the end of the war.”<sup>8</sup>

This post-war reduction saw the Army go from 8 million soldiers and 89 divisions in 1945 to 591,000 men and 10 divisions by 1950—a 93% reduction in manpower over five years. Half of the Army’s 10 divisions were deployed overseas, with Far Eastern Command controlling four infantry divisions on occupation duty in Japan and the European Command controlling one infantry division in Germany. The remaining five divisions (two airborne, two infantry, and one armored division) were stationed in the United States and constituted a general reserve to meet emergencies. All 10 divisions had undergone organizational changes, largely based on wartime experience. Despite this reorganization, 9 out of 10 divisions were well below their authorized strength, with most infantry regiments having only two of their three authorized battalions, for example. Also, most units lacked their organic armored units and lacked their wartime complement of weapons. Whatever weapons and equipment these units had were described as “worn-out leftovers from World War II.”<sup>9</sup> The low personnel and equipment readiness levels in 1950 became apparent during the initially weak U.S. military response when the Korean War broke out in June of that year.

## **Post-Vietnam<sup>10</sup>**

During the 1960s, DOD had shaped and sized the armed forces to fight two and a half wars simultaneously. The wars were two major theater wars, or MTWs—a war in Europe and one in Asia—and a “half war,” a small-scale contingency operation. The force to fight this two-and-a-half-war construct numbered over 950,000 through the middle of the 1960s, and at the height of the Vietnam War in 1968, the Army grew to over 1,570,000 men and women. The conscripted Army of the Vietnam War had a disproportionate representation of lower-income and non-college-educated soldiers in its ranks, with many middle and upper class men able to qualify for student deferments by attending college. This perceived unfairness of the draft and the protracted nature of the Vietnam War were credited with helping to bring about the All-Volunteer Force.

In 1970, in anticipation of a drawdown in Vietnam, the Army instituted a reduction in force—known as an RIF—with the intent of getting rid of low-performing soldiers that had accumulated during Vietnam. The process was applied unevenly and, although the Army eliminated some “deadwood,” a significant number of good soldiers were released and many substandard soldiers remained on active duty.<sup>11</sup>

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<sup>8</sup> Ibid., p. 201.

<sup>9</sup> Ibid., p. 213.

<sup>10</sup> Information in this section, unless otherwise noted, is taken from Chapter 12: American Military History, Volume II, from Army Center for Military History website, <http://www.history.army.mil/books/AMH-V2/AMH%20V2/chapter12.htm>, accessed February 7, 2012, and Gary L. Thompson, Major. U.S. Army, “Army Downsizing Following World War I, World War II, Vietnam, and a Comparison to Recent Army Downsizing,” Thesis for the U.S. Army Command and General Staff College, Ft. Leavenworth, KS, 2002.

<sup>11</sup> Gary L. Thompson, Major. U.S. Army, “Army Downsizing Following World War I, World War II, Vietnam, and a (continued...) ”

1973 was a pivotal year for the U.S. Army as direct involvement in Vietnam's ground war ended and the transition to an all-volunteer Army began. Many believed the Army was a weakened institution, and military and political leaders were blamed by many for the poor conduct and outcome of the war. Because of the unpopular nature of the war, many returning soldiers faced a hostile or indifferent public reception. Noted one historian, "[T]he Army that left Vietnam and returned to America and its garrisons in Germany and Korea in the 1970s was at low ebb on morale, discipline, and military effectiveness."

The withdrawal of U.S. forces from Vietnam in 1973 also ushered in an era of decreased defense budgets. In 1973, in light of budgetary constraints, Secretary of Defense James Schlesinger formally instituted the Total Force. These budget reductions translated into a smaller Army, and the Army's endstrength declined from its Vietnam War high of 1.57 million in FY1968 to 785,000 in FY1974. By 1974, the Army fielded 13 Active Duty divisions.

Chief of Staff of the Army General Creighton Abrams believed that a 13-division Active Duty Army was insufficient to meet the United States' global requirements. Furthermore, the Army's Director of Manpower and Forces noted the Army's 13 divisions constituted the smallest force since prior to the Korean War and, in reality, the Army could field only 12 divisions, and only 4 of those divisions were rated as "combat ready."

General Abrams obtained the Secretary of Defense's approval to increase the Army's active divisions to 16 without an increase in Army Active Duty endstrength, which stood at 765,000. This was achieved, in part, by shifting soldiers from Army headquarters and instructional units to Army divisions, assigning reserve component "round-out" brigades to late-deploying Active Duty divisions, and moving combat support and combat service support units to the Reserve Component.

There were a number of perceived problems associated with the Total Force. Filling the Army's three new Active Duty divisions from capped endstrength severely taxed the Army's already thin manpower pool. The relationship between the Active Duty and Reserve Components was considered by many as poor, with Active Duty commanders typically viewing their Reserve Component counterparts as "weekend warriors" and doubting the combat readiness of reserve forces. The heavy reliance on reserve forces for combat support and service support also meant active forces would have a difficult time operating in the early days of a major conflict until reserve forces could be mobilized and trained up to standard. While some viewed the heavy reliance on reserve forces as problematic, General Abrams believed increased reliance on the reserves would be beneficial in obtaining American public support in the event of a major conflict and avoiding the kind of public dissonance associated with Vietnam. Issues related to limited Army endstrength versus requirements, poor recruit quality, budgetary constraints, and lack of public support in the mid-to-late 1970s led senior Army leadership to characterize the Army as being a "hollow force."<sup>12</sup>

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(...continued)

Comparison to Recent Army Downsizing," Thesis for the U.S. Army Command and General Staff College, Ft. Leavenworth, KS, 2002, p. 46.

<sup>12</sup> The term "hollow force" was used initially in the mid-to-late 1970s and subsequently in the 1990s to characterize military forces that appear mission-ready but, upon examination, suffer from shortages of personnel, equipment, and maintenance or from deficiencies in training. For a more detailed examination of hollow forces see CRS Report R42334, *A Historical Perspective on "Hollow Forces,"* by Andrew Feickert and Stephen Daggett.

## **Post-Cold War/Desert Storm<sup>13</sup>**

The “hollow force” of the mid-1970s and early 1980s recovered due in part to the arguments of senior DOD leaders, congressional action, and the defense build-up under the Reagan Administration. In 1987, the Active Army consisted of 780,815 personnel comprising 18 divisions, with 2 of the 18 divisions still forming and not yet at 100% strength. In late 1989, the Warsaw Pact and Soviet Union began to unravel. The demise of the Soviet Union led the United States and its allies to pursue a “peace dividend,” whereby defense budgets and manpower would be drastically reduced in order to decrease taxes and divert resources to other uses. In the end, a 535,000 soldier Active Duty force—a more than 30% cut—was agreed to, constituting the smallest Army since 1939.

The late 1980s saw a fundamental rethinking of U.S. defense policy and Army force structure. A 1987 Army force structure review examining the declining Soviet threat recommended a smaller force structure of 15 divisions and 640,000 soldiers. This force level and structure was referred to as the “BASE Force.” Under this scenario, Chief of Staff of the Army Carl Vuono argued that decreasing force structure by more than 35,000 soldiers per year would jeopardize readiness. Many believed in order to achieve any meaningful savings, the Army would need to be smaller than General Vuono’s 640,000 soldier Army. Iraq’s August 1990 invasion of Kuwait suspended downsizing debates. At the conclusion of the “100 Hour War” to liberate Kuwait, many saw it as a validation of a more technologically focused approach toward warfare, and the policy debates about reducing the size of the Army were renewed.

In 1993, the Clinton Administration announced it would pursue defense budget reductions of at least \$88 billion from FY1994-FY1997. As part of this effort, Secretary of Defense Les Aspin initiated a Bottom Up Review intended to modify force structure based on current and projected threats to national security. The review recommended placing added emphasis on U.S. air power and a reduction of Army endstrength to 495,000 soldiers while retaining the ability to fight two MTWs simultaneously. In March 1994, the Bottom Up Review recommendations were implemented and Active Army endstrength reductions to 495,000 soldiers began and 2 of 12 divisions were eliminated.

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<sup>13</sup> Information in this section, unless otherwise noted, is taken from Chapter 13: American Military History, Volume II, from Army Center for Military History website, <http://www.history.army.mil/books/AMH-V2/PDF/Chapter13.pdf>, accessed February 9, 2012, and Gary L. Thompson, Major. U.S. Army, “Army Downsizing Following World War I, World War II, Vietnam, and a Comparison to Recent Army Downsizing,” Thesis for the U.S. Army Command and General Staff College, Ft. Leavenworth, KS, 2002.

## January 2012 Drawdown and Restructuring Proposals

### Proposal to Reduce Endstrength<sup>14</sup>

On January 27, 2012, Army Chief of Staff General Odierno noted 90,000 soldiers were deployed in support of operations and another 96,000 soldiers forward-stationed overseas in nearly 150 countries. DOD announced the Army would reduce the size of the Active Army starting in 2012 from a post-9/11 peak in 2010 of about 570,000 soldiers to 490,000 soldiers by the end of 2017. DOD plans for only marginal reductions in the Army National Guard and none in the Army Reserve. Army leadership stated endstrength reductions would “follow a drawdown ramp that allows us to take care of soldiers and families while maintaining a ready and capable force.”<sup>15</sup>

Army leaders noted the 490,000-strong Army would have the following advantages over the 482,000-strong Army of 2001:

- a combat-seasoned force;
- increased investments in special operations forces and the cyber domain;
- drastically improved command and control capabilities, which significantly enhance mission command;
- modularized brigade combat teams (BCTs);
- increased aviation assets;
- an operational National Guard and Reserve affording increased depth and capacity; and
- lessons learned over 10 years of combat.<sup>16</sup>

### Units to Be Eliminated<sup>17</sup>

During the January 27, 2012, briefing, DOD and Army leaders stated they planned to eliminate at least eight Active Duty BCTs from existing force structure. Army leaders also stated two armored BCTs<sup>18</sup> (ABCTs) would be removed from Europe and these two ABCTs would not be re-stationed in the United States but instead eliminated from Army force structure. On February 16, 2012, the

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<sup>14</sup> Information in this section is taken from DOD White Paper “Defense Budget Priorities and Choices,” January 2012 and transcripts of Army Chief of Staff Raymond T. Odierno Army Briefing on the FY-13 Budget Request, January 27, 2012.

<sup>15</sup> Transcripts of Army Chief of Staff Raymond T. Odierno, Army Briefing on the FY-13 Budget Request, January 27, 2012.

<sup>16</sup> Ibid.

<sup>17</sup> Ibid.

<sup>18</sup> Armored BCTs were formerly known as Heavy BCTs (HBCTs).

Army issued an information paper to Congress<sup>19</sup> that provided additional details. According to the paper:

- The Army's V Corps Headquarters will not return to Europe upon the completion of its deployment to Operation Enduring Freedom in late FY2013. The long-term future and location of the V Corps Headquarters will be addressed as part of the Total Army Analysis (TAA) process in which overall force structure and endstrength issues are evaluated.
- Two ABCTs will be inactivated (the 170<sup>th</sup> BCT in FY2013 and the 172<sup>nd</sup> BCT in FY2014).
- Additional Army enabler forces, potentially in the range of 2,500 soldiers, could be reduced from Europe as part of the TAA process.<sup>20</sup>

Press reports suggest the Army might cut more than eight BCTs Army-wide.<sup>21</sup> These additional cuts would most likely result from a reorganization of the BCT's structure, which is presently being studied by the Army staff. It was also reported that it is highly likely that the Army will cut more ABCTs, as DOD has issued strategic guidance calling for a leaner and more rapidly deployable force. As already noted, the 170<sup>th</sup> ABCT stationed in Baumholder, Germany, and the 172<sup>nd</sup> ABCT stationed in Grafenwoehr, Germany, will be eliminated. The 170<sup>th</sup> ABCT was reportedly deactivated on October 9, 2012.<sup>22</sup> In terms of cuts to forces in the Pacific, the Chief of Staff of the Army, General Raymond T. Odierno, reportedly stated Army forces in the Pacific would remain at current levels, with plans to keep Stryker, infantry, and aviation units—about 10,300 soldiers—at Schofield Barracks in Hawaii.<sup>23</sup>

## **Units to Be Realigned and Restructured<sup>24</sup>**

In terms of realigning and restructuring the Active Army, DOD and the Army announced in January 2012 that

- active forces would no longer be sized to conduct large and protracted stability operations;
- Army force structure would be sustained in the Pacific, and a persistent presence would be maintained in the Middle East;
- Army forces will rotate through Europe and other regions on a more frequent basis;

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<sup>19</sup> Army Information Paper, "Subject: Army Force Structure in Europe," February 16, 2012.

<sup>20</sup> Ibid.

<sup>21</sup> Information in this section is taken from Sebastian Sprenger, "Odierno: Army May Cut More Than Eight Brigade Combat Teams," *InsideDefense.com*, January 27, 2012; Michelle Tan and Richard Sandza, "European Pullout: Plan to Move 2 BCTs and Up to 10,000 Soldiers Could Start in October," *Army Times*, January 23, 2012; and Michelle Tan, "Reduction to Include 8 BCTs," *Army Times*, February 6, 2012.

<sup>22</sup> "USAREUR to Cut Civilian Jobs," *Army Times*, November 30, 2012.

<sup>23</sup> William Cole, "Army Won't Shrink Force Level in Pacific Region, General Says," *Honolulu Star-Advertiser*, January 18, 2012.

<sup>24</sup> Information in this section is taken from DOD White Paper "Defense Budget Priorities and Choices," January 2012 and transcripts of Army Chief of Staff Raymond T. Odierno Army Briefing on the FY-13 Budget Request, January 27, 2012.

- a U.S.-based heavy brigade would be allocated to the NATO Response Force;
- a brigade combat team (BCT) would be aligned with each geographic combatant command to provide cultural and language training to support engagement operations; and
- BCTs and enabling units would be examined for optimum design, which could lead to further BCT reductions if the Army decides to increase the capability of BCTs.

Press reports offer additional details on how BCTS might be restructured.<sup>25</sup> Prior to the 2003 decision to restructure the Army to a modular force, all combat brigades had three maneuver battalions (infantry, armor, or mechanized infantry). Under modularity, only Stryker battalions have three maneuver battalions, and infantry BCTs (IBCTs) and armored BCTs (ABCTs) have only two, based on a contested belief at the time that additional intelligence, surveillance, and reconnaissance (ISR) units added to the BCT could substitute for the third maneuver battalion. Reportedly, Army leaders returning from Iraq and Afghanistan over the past few years have lobbied to add back the third maneuver battalion to IBCTs and ABCTs, as they argued that this additional battalion could enable more successful combat, patrol, and site-security operations. In order to add this third battalion, it is likely it would be taken from existing BCTs, and these BCTs, after their two maneuver battalions are reassigned, would be eliminated from Army force structure.

## **Changes in Unit Basing<sup>26</sup>**

On January 27, 2012, Secretary of Defense Panetta indicated that he would ask Congress to authorize a Base Realignment and Closure (BRAC) process whereby bases in the United States can be realigned or closed. If Congress approves BRAC, it is likely some Army bases could be realigned or closed, which could require some Army units to move to other new or existing bases. With the reliance on an increased use of rotational forces under the Administration's new strategic guidelines, it is likely a number of smaller bases—some permanent but many temporary—might need to be established to accommodate these rotational forces. In terms of the two ABCTs eliminated from Europe, it is not known what will happen to the Army bases at Baumholder and Grafenwohr.

## **Impact on the National Guard and Reserve<sup>27</sup>**

As previously noted, under the new strategic guidance DOD intends to

- retain a ready and capable reserve component;

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<sup>25</sup> Sebastian Sprenger, "Odierno: Army May Cut More Than Eight Brigade Combat Teams," *InsideDefense.com*, January 27, 2012.

<sup>26</sup> Information in this section is taken from U.S. Department of Defense News Transcript, "Major Budget Decisions Briefing from the Pentagon," presented by Secretary of Defense Leon E. Panetta and Chairman of the Joints Chiefs of Staff General Martin E. Dempsey, January 26, 2012; U.S. Department of Defense News Transcript, "Major Budget Decisions Briefing from the Pentagon," presented by Deputy Secretary of Defense Ashton B. Carter and Vice Chairman of the Joint Chiefs of Staff Admiral James A. Winnefeld Jr., January 26, 2012; and U.S. Department of Defense Publication, *Sustaining U.S. Global Leadership: Priorities for 21<sup>st</sup> Century Defense*, January 2012.

<sup>27</sup> Ibid.

- reduce National Guard endstrength slightly;
- sustain increased readiness prior to mobilization; and
- maintain key combat-support and combat service-support capabilities.

Like previous pronouncements, no specifics were provided regarding reductions in Reserve Component endstrength and how readiness and support capabilities would be maintained.

Chief of Staff of the Army General Raymond T. Odierno reportedly stated the Pentagon's decision to cut the active force by 80,000 soldiers will place greater reliance on the National Guard and Reserves, "particularly if the United States gets into two major long-term combat operations at the same time."<sup>28</sup> The report further notes the United States will be required to keep its reserve forces at a higher state of readiness than it did before the wars in Iraq and Afghanistan. General Odierno suggests if the Army had to fight two large, simultaneous, long-term wars; the United States would rely more heavily on allies and request a large-scale mobilization of the reserves. The reserves would also be used to "buy time to increase the size of the active component," and because of the requirement for higher readiness, a new readiness model would need to be developed to keep the National Guard and Reserves at a higher state of readiness.<sup>29</sup>

## **Additional Insights**

From the end of January 2012 until the present, Army and DOD leadership have conducted a series of news briefings and interviews that have helped add context to the January 2012 drawdown and restructuring proposal. These briefings and interviews did not provide definitive details associated with the impending drawdown and restructuring but did provide insights on future intentions. The following section summarizes some of these activities.

### **May 2012 Chief of Staff of the Army News Briefing**

On May 16, 2012, General Odierno held a news briefing at the Pentagon.<sup>30</sup> He covered a variety of topics, including the following:

- With operations in Iraq complete, transition ongoing in Afghanistan, and a rebalancing toward the Asia-Pacific region, the Army will implement a progressive readiness model for Active and Reserve components intended to be more responsive to combatant commanders.
- In 2013, the Army will begin a regionally aligned force concept where geographic combatant commands and USOCOM will be allocated one or more BCTs. The first such alignment will be a BCT from the 10<sup>th</sup> Mountain Division in 2013, and this unit will be aligned with U.S. Africa Command (USAFRICOM). As part of this regional alignment, units will be trained up and be available for 9

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<sup>28</sup> Information in this section is taken from Lolita C. Baldor, "Army Chief Sees Greater Role for Guard and Reserves," *Norfolk Virginian-Pilot*, January 27, 2012.

<sup>29</sup> Transcripts of Army Chief of Staff Raymond T. Odierno, Army Briefing on the FY-13 Budget Request, January 27, 2012.

<sup>30</sup> Information in this section is taken from U.S. Department of Defense News Transcript, "DOD News Briefing with Gen. Odierno from the Pentagon," May 16, 2012.



to 12 months to participate in unit rotations, building partner capacity or to conduct security assistance operations, or participate in exercises. These dedicated units will train for specific tasks assigned by combatant commanders.

- In order to provide training, mentorship, and discipline to the five BCTs and additional supporting forces stationed at Joint Base Lewis-McChord, the Army will reactivate the 7<sup>th</sup> Infantry Division headquarters under the command of a major general.
- If sequestration under the Budget Control Act of 2011 (P.L. 112-25) occurs, the Army will be forced to cut an additional 80,000 to 100,000 Active Duty and Reserve soldiers over and above the current 80,000 soldier planned reductions.

## **Regional Alignment**

It was later reported the Army had instead selected the 1<sup>st</sup> BCT from the 1<sup>st</sup> Infantry Division to be the first brigade to be regionally aligned to USAFRICOM.<sup>31</sup> This armored BCT would remain based in the United States, and only those units involved in a specific task or mission would deploy to Africa. The unit's activities would support USAFRICOM's partnership-building activities, and deployments would be for weeks and months, as opposed to year-long or greater deployments. The BCT's first mission to Africa is expected in March 2013, and other missions are expected throughout the year.<sup>32</sup>

In October 2012, the Deputy Commanding General of U.S. Army Pacific reportedly stated the Army would make I Corps headquarters, based at Joint Base Lewis-McChord in Washington regionally aligned to the Pacific region.<sup>33</sup> According to Army officials, this alignment will add a dedicated three-star headquarters and supporting staff to the U.S. Pacific Command.

## **Army's Presence in Kuwait**

According to a June 2012 Senate Foreign Relations Committee Report:

When U.S. troops departed Iraq at the end of 2011, Kuwait welcomed a more enduring American footprint. Currently, there are approximately 15,000 U.S. forces in Kuwait, but the number is likely to decrease to 13,500. Kuwaiti bases such as Camp Arifjan, Ali Al Salem Air Field, and Camp Buehring offer the United States major staging hubs, training ranges, and logistical support for regional operations. U.S. forces also operate Patriot missile batteries in Kuwait, which are vital to theater missile defense.<sup>34</sup>

This report suggests there will be a continued U.S. military presence in Kuwait for the foreseeable future. Of the 13,500 military personnel, there will likely be a substantial U.S. Army presence, including both permanent party, but also rotational forces.

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<sup>31</sup> Ann Roosevelt, "Army Aligns First Regional Brigade to U.S. Africa Command," *Defense Daily*, June 15, 2012.

<sup>32</sup> Michelle Tan, "After Iraq and Afghanistan, U.S. Army to Move Soldiers to Other Regions," *Defense News*, July 2, 2012.

<sup>33</sup> Paul McLeary, "State of the Army Westward Expansion," *Army Times*, October 29, 2012.

<sup>34</sup> "The Gulf Security Architecture: Partnership with the Gulf Co-Operation Council," A Majority Staff Report prepared for the Committee on Foreign Relations, United States Senate, June 19, 2012, p. 12.

## **Brigade Structural Changes**

During a November 2012, interview, General Odierno discussed his priorities as Chief of Staff of the Army. Regarding BCTs he stated:

The one thing that is absolutely essential is that we must have a third maneuver battalion in each of our brigades. We did not quite have enough engineers inside of our brigades. We have to relook a little bit how we do our intelligence collection and provide fire support. All of those will be incorporated in the new brigade design when it comes out ... in the next several months.<sup>35</sup>

As part of these changes, the Army intends to include organic horizontal and vertical construction capability to the BCTs.<sup>36</sup> Additional BCT engineering capabilities include enhanced clearing, route clearance, and gap-crossing capabilities intended to improve force protection, enhance mobility in complex and urban terrain, and enable capacity building.<sup>37</sup>

The Army is also proposing changing Battlefield Surveillance Brigades to Reconnaissance and Surveillance Brigades.<sup>38</sup> The new Reconnaissance and Surveillance Brigade construct would include additional personnel and 120mm mortar sections, additional scout platoons, artillery, and mounted reconnaissance formations, which will give these units the ability to destroy enemy units as opposed to simply “finding” them.<sup>39</sup>

## **Changes to the Army Force Generation (ARFORGEN) Readiness Model**

The Army is reportedly changing its ARFORGEN cycle away from producing forces ready for Afghanistan and instead focusing on providing regionally aligned forces for combatant commanders.<sup>40</sup> Under this revised ARFORGEN model, units ranging from platoon to brigade-sized and representing a variety of combat and support capabilities will be staffed, equipped, and trained primarily to support regional engagement activities for the various geographic combatant commands.

As part of the ARFORGEN realignment, the time needed to move units through the “reset,” “train,” and “available” phases will reportedly be shortened from 36 to 24 months for the Active Army.<sup>41</sup> A portion of the Reserve component will go through the training and reset phases but will not proceed to the available phase that qualifies them for deployment, and units in that category will be considered part of the “strategic reserve” which, according to Pentagon officials, will save

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<sup>35</sup> Vago Muradian, “Odierno Pushes BCT Revamp, 4 Must-Have Programs,” *Army Times*, October 29, 2012.

<sup>36</sup> Sebastian Sprenger, “Draft Army Concept Backs, BCT, Reconnaissance Unit Reorganizations,” *InsideDefense.com*, October 5, 2012 and information from the author’s visit to the Army’s Maneuver Center of Excellence on October 10, 2012.

<sup>37</sup> Ibid.

<sup>38</sup> Sebastian Sprenger, “Plan for Added Firepower in Army Reconnaissance Units Taking Shape,” *InsideDefense.com*, July 13, 2012 and information from the author’s visit to the Army’s Maneuver Center of Excellence on October 10, 2012.

<sup>39</sup> Ibid.

<sup>40</sup> Ann Roosevelt, “Army Takes Incremental Steps Toward the Future,” *Defense Daily*, November 2, 2012.

<sup>41</sup> Sebastian Sprenger, “New Force-Generation Model Lays Ground Rules for Active, Reserve Use,” *InsideDefense.com*, November 6, 2012.

money.<sup>42</sup> Other Reserve forces not in this pool will be placed in a separate 60-month cycle, which more closely mirrors the Active component. Also, unit training will supposedly become much more focused, whereas a unit designed to participate in homeland defense and civil support activities might not go through training needed for combat missions.<sup>43</sup>

## Force Reduction and Force-Shaping Programs

Historically, military drawdowns have been rather blunt instruments of national policy. As noted in the earlier descriptions of the drawdowns at the conclusion of World War II and Vietnam, the focus was primarily on immediate reductions in accessions and separating/discharging others as soon as possible. The rapid and poorly planned demobilization of Army forces in the past had a deleterious impact on morale, terminated many aspiring military careers, and released significant numbers of military personnel with limited transition assistance.

The recent post-Cold War drawdown was substantially different. Congress still determined the endstrength levels but provided a number of voluntary and involuntary tools to shape each year group of the force—officer, warrant officer, and enlisted. Voluntary separations were emphasized, and some of the tools had robust financial incentives. Few skills were exempt from consideration, and every soldier was vulnerable for separation at some point during nearly a decade of drawdown. It was also the first time that resources were focused on transition assistance and stressed the importance of working with military alumni, even after their separation.

Title 10 Drawdown Authorities are discussed in greater detail in the **Appendix**.

## The Human Dimension of a Force Drawdown

For the past decade, U.S. military forces have been engaged in combat operations on two fronts—Iraq and Afghanistan. The deployments to these austere environments have been long—typically 7 to 12 months for ground forces, sometimes involuntarily extended to support surge operations and requiring the use of “Stop Loss” policies.<sup>44</sup> Deployments have also been frequent, sometimes with less than a year between rotations resulting in reduced “dwell time” for both active and reserve component personnel. These conflicts have often been very stressful for servicemembers, spouses, and families as indicated by higher than normal divorce and suicide rates.<sup>45</sup>

Throughout this period, support from the American public and political leaders has been consistent. Many now refer to our servicemembers as “America’s Heroes” and honor the wounded as “Wounded Warriors.” They return home to welcome ceremonies and spontaneous outbreaks of applause in airports, and even those who may disagree with the war effort have been generally supportive of military personnel.

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<sup>42</sup> Ibid.

<sup>43</sup> Ibid.

<sup>44</sup> For a complete description of the Stop Loss program, see CRS Report R40121, *U.S. Military Stop Loss Program: Key Questions and Answers*.

<sup>45</sup> Military Review, “Saving Military Families,” by Captain (Navy) Gene Thomas Gomulka, January-February 2010.

Soon the services will begin to transition from high-tempo combat operations to a more stable training and garrison environment, while simultaneously downsizing and reshaping the force. Those with multiple combat tours may feel that they have lost a common cause. Those with pride in the units that they fought with may now see those units eliminated or friends separated from the service either voluntarily or involuntarily. Those who have experienced a military focused on fighting insurgency on multiple fronts over the past decade will see a shift of emphasis to training for full-spectrum operations and individual professional development. The collective effect of these changes could result in a temporary degradation of individual morale and unit effectiveness. The key for leaders at all levels will be to refocus and minimize these potentially negative impacts. However, reducing accessions has its own implications.

## **Accessions**

It is assumed that the post-Operation Iraqi Freedom (OIF)/Operation Enduring Freedom (OEF) drawdown will focus primarily on reduced accessions, because a reduction in accessions significantly reduces the need for other voluntary and involuntary force shaping actions and their inherent negative implications.

The military acquires or procures new personnel annually—enlisted, warrant officer, and officer—through the enlisted recruiting process and officer accession programs. The number to be recruited or accessed is based on the congressionally established endstrength, which is published annually in the National Defense Authorization Act (NDAA). With a known endstrength, the services can then project losses for the coming year, compare this to the endstrength target, and determine the number to be recruited and trained.

During the years of OIF/OEF, the Army generally recruited approximately 75,000 to 80,000 enlisted soldiers a year, initially to sustain an endstrength of 482,000 and, later, to incrementally grow the force to its eventual target strength of 562,000. As announced in the FY2013 President's Budget,<sup>46</sup> the Army will be required to draw down to an endstrength of 490,000 by FY2017, a reduction of 72,000.<sup>47</sup> With five years to accomplish, it appears that the accessions program could absorb a reduction of nearly 15,000 per year and still sustain the force over time, ensure the right mix of training and experience, and allow for reasonable promotion expectations.

## **Officer Accessions**

In 2008, Congress authorized an increased enrollment at the U.S. Military Academy,<sup>48</sup> from 4,000 to 4,400, and the Army greatly expanded its Officer Candidate School (OCS) program at Fort Benning, GA, while also increasing the size of the Reserve Officer Training Corps (ROTC) program. West Point and ROTC have four-year timelines associated with their programs, but the duration of the OCS program is measured in weeks rather than years. Therefore, to reduce officer

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<sup>46</sup> Department of Defense, "Overview: Fiscal Year 2013 Budget Request," Office of the Under Secretary of Defense (Comptroller), February 2012.

<sup>47</sup> The FY2013 Budget also announced a drawdown for the Marine Corps from its current strength of 202,100 to 182,100, also by FY2017.

<sup>48</sup> §540, P.L. 110-417, October 14, 2008. Congress expanded each of the service academy programs—U.S. Military Academy, U.S. Naval Academy and the U.S. Air Force Academy from 4,000 to 4,400 as determined for any year as of the day before the last day of the academic year.

accessions, OCS can be quickly ramped down with any additional decrements coming from the ROTC program and potentially reverting the service academies to their previous cap of 4,000 students.

## **Personnel-Related Congressional Testimony<sup>49</sup>**

In testimony to Congress, the Army stated in order to reach its FY2017 endstrength goals, approximately 24,000 enlisted soldiers and 5,000 officers would likely need to be involuntarily separated, in other words, forced out of the active Army. The Army noted “that we expect to lose combat seasoned soldiers and leaders, but our focus will be on retaining the best in the right grades and skills.”<sup>50</sup> The Army also stated funding will either need to be realigned or reprogrammed to fund the various incentive authorities the Army can use to get soldiers to leave the Army voluntarily.<sup>51</sup> Congress might opt to examine these issues with the Army in greater detail before soldiers are involuntarily separated or offered inducements to leave the service to gain an in-depth understanding of the criteria that will be used to choose soldiers for involuntary separation, the process that will be followed, and what types of compensation and assistance will be provided to these soldiers to facilitate their transition to the civilian world.

## **More on Involuntary Separations<sup>52</sup>**

During an October 29, 2012, interview, LTG Howard W. Bromberg, the Army’s Chief of Personnel, provided additional updated drawdown insights:

- The Army now plans to eliminate about 20,000 enlisted soldiers and 5,000 officers beginning in 2014 through 2017 through involuntary separation programs.
- Although Congress had reauthorized several voluntary separation programs, Army leaders have opted only to reinstate the Temporary Early Retirement Authority (TERA) for selected categories of soldiers with at least 15 but less than 20 years of active service.
- The Army would instead rely on retention boards, reduced promotion rates, and reduced accessions to draw down the Army.

## **Protecting the Institutional Army<sup>53</sup>**

In order to quickly reactivate mid-grade leaders in the event of a future ground war—the “retain a slightly more senior force in the Active Army to allow growth if needed” proposal from the January 2012 Drawdown and Restructuring Proposal—the Army plans to insulate from the drawdown about 90,000 soldiers from its institutional, non-operational portion of the service.

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<sup>49</sup> Information in this section is taken from a statement by LTG Thomas P. Bostick, Deputy Chief of Staff, G1, United States Army before the Military Personnel Subcommittee, Second Session, 112<sup>th</sup> Congress, March 6, 2012.

<sup>50</sup> Ibid., pp. 5-6.

<sup>51</sup> Ibid., p. 5.

<sup>52</sup> Jim Tice, “Cutting 25,000 Soldiers,” *Army Times*, October 29, 2012.

<sup>53</sup> Information in this section is taken from Sebastian Sprenger, “Leaders Envision Institutional Army as Buffer Against Loss of Talent,” *InsideDefense.com*, November 12, 2012.

Army service leaders reportedly will instead take an end strength cut of almost 80,000 soldiers from the operational Army. In order to retain mid-grade leaders needed to reactivate units, the Army had planned to put these personnel in units designed to mentor foreign security forces, but the Army is currently considering putting these individuals in Army educational institutions. If this does become policy, these mid-grade soldiers could replace Department of the Army Civilians and contractors presently serving in many of these billets.

## Strategic Implications

Reducing the size, structure, and number of units in the Active Army has strategic implications for U.S. national security. These implications will be examined in the context of how they apply to the January 2012 strategic guidelines.

### Stability<sup>54</sup> and Counterinsurgency<sup>55</sup> Operations

Under the new strategic guidelines, DOD states that one of the primary missions of the U.S. Armed Forces is to:

**Conduct Stability and Counterinsurgency Operations.** In the aftermath of the wars in Iraq and Afghanistan, the United States will emphasize non-military means and military-to-military cooperation to address instability and reduce the demand for significant U.S. force commitments to stability operations. U.S. forces will nevertheless be ready to conduct limited counterinsurgency and other stability operations if required, operating alongside coalition forces wherever possible. Accordingly, U.S. forces will retain and continue to refine the lessons learned, expertise, and specialized capabilities that have been developed over the past ten years of counterinsurgency and stability operations in Iraq and Afghanistan. *However, U.S. forces will no longer be sized to conduct large-scale, prolonged stability operations.*<sup>56</sup>

This statement has implications for the Army. First and foremost, the Army will still be required to conduct limited counterinsurgency and stability operations. It is unclear in this context, however, if limited means “scale or duration” or if limited also refers to “level of effort or expected outcome” of these types of operations. Furthermore, it is not known how this de-emphasis of stability operations under the new strategic guidelines “squares” with DOD Instruction: 3000.05, Stability Operations, dated September 2009, which stipulates:

Stability operations are a core U.S. military mission that the Department of Defense shall be prepared to conduct with proficiency equivalent to combat operations. The Department of Defense shall be prepared to:

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<sup>54</sup> DOD defines stability operations (DOD Instruction 3000.05) as an overarching term encompassing various military missions, tasks, and activities conducted outside the United States in coordination with other instruments of national power to maintain or reestablish a safe and secure environment, provide essential governmental services, emergency infrastructure reconstruction, and humanitarian relief.

<sup>55</sup> DOD defines (Joint Publication 3-24) counterinsurgency as comprehensive civilian and military efforts taken to defeat an insurgency and to address any core grievances. Counterinsurgency is also called COIN.

<sup>56</sup> U.S. Department of Defense Publication, Sustaining U.S. Global Leadership: Priorities for 21<sup>st</sup> Century Defense, January 2012. p. 6.

(1) Conduct stability operations activities throughout all phases of conflict and across the range of military operations, including in combat and non-combat environments. The magnitude of stability operations missions may range from small-scale, short-duration to large-scale, long-duration.<sup>57</sup>

Another implication has to do with DOD's pronouncement that "U.S. forces will no longer be sized to conduct large-scale, prolonged stability operations." It can be argued, however, the Army did not "size" itself to "conduct large-scale, prolonged stability operations" in the past because during operations in Iraq and Afghanistan, the Army had sufficient units to commit to stability operations and combat operations alike. Instead, the Army was sized to meet its self-imposed rotational model, whereby units were deployed, on average, for a year to Iraq or Afghanistan and then rotated back to their home station. While the Army's one-year rotation policy was considered necessary to sustain its forces under these circumstances, if events warrant the Army maintains it can deploy all forces until the conflict ends (as it did in World War II where units were deployed to Europe and the Pacific until war's end). In this sense, the Army was not sized to conduct large-scale, prolonged stability operations but instead was sized to meet what it considered a force-readiness model centered on a one-year deployment into a combat theater of operations. Therefore, for future sizing endeavors, the duration of deployment might serve as a critical variable in determining force size.

## Fighting Two Simultaneous Wars

Another primary mission under the new strategic guidelines is to:

**Deter and Defeat Aggression.** ... As a nation with important interests in multiple regions, our forces must be capable of deterring and defeating aggression by an opportunistic adversary in one region even when our forces are committed to a large-scale operation elsewhere. Our planning envisages forces that are able to fully deny a capable state's aggressive objectives in one region by conducting a combined arms campaign across all domains – land, air, maritime, space, and cyberspace. ... Even when U.S. forces are committed to a large-scale operation in one region, they will be capable of denying the objectives of – or imposing unacceptable costs on – an opportunistic aggressor in a second region. ... Our ground forces will be responsive and capitalize on balanced lift, presence, and prepositioning to maintain the agility needed to remain prepared for the several areas in which such conflicts could occur.<sup>58</sup>

This statement effectively releases the Army from the responsibility of sizing and equipping itself to fight the "two simultaneous major theater wars (MTW)" construct that has played a major factor in the size and structure of the Army since 1993. From a geo-strategic standpoint, some have argued the two MTW construct was unrealistic and put unnecessary stress on the force, while others suggest that by abandoning the ability to fight two MTWs simultaneously, the United States could be inviting potential aggressors to challenge us if we become engaged in a major conflict, knowing the best we can do is "deter" their aspirations.

While specifics on how this will directly affect the Army in terms of size and structure have not been made public, there are some potential implications. If the Army continues to be deployed

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<sup>57</sup> DOD Instruction 3000.05, Stability Operations, September 2009, p. 2.

<sup>58</sup> U.S. Department of Defense Publication, Sustaining U.S. Global Leadership: Priorities for 21<sup>st</sup> Century Defense, January 2012, p. 4.

and committed to a wide range of world-wide operations as many expect, a smaller Active Army would need to be (1) more responsive (i.e., deployable) and (2) more capable than the current force if it is to “remain prepared for the several areas in which such conflicts could occur.” In terms of responsiveness, the sea and air lift capabilities of the Navy and Air Force play an important role in deploying the Army but also of importance is how the Army is structured (i.e., heavy versus light forces). One means of “lightening” the Army could be to reduce the number of ABCTs either by eliminating them outright or placing them in the Reserves. A possible risk associated with this course of action is an “opportunistic aggressor” that might have mechanized or armored forces of its own, requiring the United States to counter with heavy forces. In terms of increased capability, with fewer forces to draw on, units sent could be required to “punch above their weight” and face numerically larger and “heavier” enemy forces. One solution to this dilemma could be the course of action currently under consideration—adding a third maneuver battalion and support units to IBCTs and ABCTs. Another possible solution could be technological enhancement, which could prove difficult under current and future budgetary constraints.

Another implication is an increased reliance on the National Guard and Reserves. Under this scenario, some Guard and Reserve units would likely need to be just as deployable and as ready as their active-duty counterparts, which could prove difficult, given the nature of these forces. To achieve this level of deployability and readiness, increased budgetary resources could be required, as well as possible modifications to the existing National Guard/Reserves manning, training, and equipment construct and governing legal authorities. One potential solution to increasing reserve deployability could be to establish a “corps” of reservists who would be willing to commit to a higher level of peacetime training and readiness so they could deploy on the same timeline expected of active forces. Should these changes prove to be too costly or difficult, increased reliance on the Guard and Reserves could constitute an element of increased risk.

## **Asia/Pacific Shift and Strategic Emphasis**

As previously noted, the new strategic guidelines call for sustained Army structure in the Pacific, and the Chief of Staff of the Army, General Odierno, has stated there would be minimal changes to U.S. Army force structure in the region.<sup>59</sup> In response to the strategic shift to the Asia-Pacific region, the Navy (and Marine Corps) and the Air Force unveiled the Air-Sea Battle concept to address this predominately maritime domain. The strategic implication for the Army is, What is the Army’s role in a strategy that emphasizes naval and air presence to extend U.S. regional influence?

In May 2012, Army leadership met with CRS staff to discuss the Army’s role in the Asia/Pacific region under the Administration’s new strategic guidelines.<sup>60</sup> The Army has about 70,000 active soldiers and 11,400 Army civilians in the Pacific and has no current plans to reduce these numbers. Characterizing the Pacific region, the Army notes three of the world’s largest economies (United States, China, Japan); four of the world’s most populous countries (China, India, United States, Indonesia); and 7 of the world’s 10 largest armies (China, India, N. Korea, S. Korea, United States, Vietnam, Burma) are represented in the region. Also of importance, five of seven

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<sup>59</sup> Army Chief of Staff Raymond T. Odierno Army Briefing on the FY2013 Budget Request, January 27, 2012.

<sup>60</sup> Information in this section is taken from a May 15, 2012, meeting between Chief of Army Legislative Liaison and CRS Staff and associated Army briefing materials.



U.S. Mutual Defense Agreements are in the Pacific region. Finally, 20 of the 27 regional Defense Chiefs are Army officers. The importance of this is many of these Defense Chiefs received professional military education in the United States and maintain personal and professional relationships with senior U.S. Army officers who also attended these schools. These established relationships and shared professional experiences could greatly enhance regional engagement activities.

The Army defines its strategic efforts in terms of three lines of effort: Prevent, Shape, and Win.

## **Prevent**

The Army hopes to prevent regional conflict by means of deterrence. The Army has forces in Korea, Alaska, Hawaii, and Washington that provide a physical deterrent. These forces consist of

- 2 Division headquarters,
- 9 BCTs,
- 2 Combat Aviation Brigades, and
- 11 Multi-Functional Brigades.

The Army also has a variety of mission command headquarters ranging from a Theater and Field Army to two Corps headquarters, which can provide varying degrees of command and control for U.S. forces in the region. The Army has logistics, air and missile defense, signal, intelligence, engineer, medical, and military police capabilities in the region, which can be used in a variety of combat and non-combat roles. In addition, the Army has pre-positioned stocks in Japan, Korea, and Diego Garcia and Army officials aspire to have a BCT's-worth of preposition equipment in Australia between FY2014 and FY2018 and perhaps a battalion or company-sized prepositioned stock might be located in the Philippines at some point in the future. If physical deterrence fails, the Army can "project power" into the region from Army bases in Washington, Hawaii, Alaska, and Japan.

## **Shape**

The Army plans to shape or influence the region by means of exercises, exchanges, partnerships, and a variety of engagement activities. The Army notes it has conducted 24 large-scale exercises with 14 of the 36 countries in the region, and discussions suggest, when practical, the Army will seek to expand exercise participation to countries that have not traditionally been a part of these activities. In FY2011, the Army participated in a variety of exchanges with 21 countries in the region, ranging from foreign soldiers attending U.S. Army Schools to subject matter expert exchanges. The U.S. Army National Guard is also partnered with six countries in the region<sup>61</sup> as a means to further enhance relationships with U.S. and regional forces. The Army has also participated in 134 engagement activities with 34 countries in the region and the Army intends to pursue additional regional engagement opportunities. Finally, while not a "planned" shaping activity, the Army has contingency response headquarters in Hawaii and Japan, as well as forward

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<sup>61</sup> For additional information on National Guard Partnering, see CRS Report R41957, *The National Guard State Partnership Program: Background, Issues, and Options for Congress*, by Lawrence Kapp and Nina M. Serafino.

equipment and supply stocks and engineering, medical, and civil affairs expertise prepared to respond to disasters and provide humanitarian assistance.

## **Win**

As part of the U.S. response to terrorism, the Army supports ongoing operations to defeat Al Qaeda affiliates in the Philippines and throughout South and South East Asia. In an overall strategic context, if U.S. preventative and shaping activities fail to deter conflict in the region, the U.S. Army is prepared to rapidly project land forces to conduct a full spectrum of military operations.

## **Middle East**

The new strategic guidelines commit the United States to maintaining an “operationally responsive peacetime presence in the Middle East.”<sup>62</sup> It can be argued a “peacetime presence” could prove difficult with what some describe as a “civil war” occurring in Syria and persistent threats by Iran to close the Strait of Hormuz or to launch a strike on Israel should they attack Iranian nuclear facilities. In light of these regional security threats as well as the potential for further conflict in the region, the current strategic guidelines for the Middle East and the Army’s role appear to be vague and possibly inadequate.

While little has been said by DOD or Army leadership about force posture and missions in the region, the press reports the Army has about 15,000 soldiers deployed to Kuwait, ostensibly to maintain a combat-ready presence in the region.<sup>63</sup> As of January 2012, two BCTs and a combat aviation brigade, along with various support units, were in Kuwait, but it was not known if these units or like units would be kept in country for the long term. In the past, Kuwait was used as a staging area, but some now believe Kuwait should serve as a base for a more operational U.S. military presence. Reports suggest discussions are underway with the Kuwaiti government to determine how many, what kinds, and for how long U.S. forces can remain in Kuwait. If a long-term U.S. presence is approved, U.S. forces are expected to use ranges in Kuwait for training U.S. forces, as well as to conduct exercises and partnering activities with regional forces. Should the Kuwaiti government not approve a larger and more sustained U.S. military presence, the United States could be required to find a different location in the region for forward-deployed Army forces. If this proves to be too difficult, U.S. ground presence in the region could instead be relegated to Marine forces afloat.

## **Reduced Force Structure in Europe**

The new strategic guidelines call for the elimination of two ABCTs from Europe, maintaining NATO Article V commitments by allocating a U.S.-based brigade to the NATO Response Force, and rotating U.S.-based Army units to Europe for training and exercises.<sup>64</sup> The primary strategic

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<sup>62</sup> Information in this section is taken from U.S. Department of Defense News Transcript, “Major Budget Decisions Briefing from the Pentagon,” presented by Secretary of Defense Leon E. Panetta and Chairman of the Joints Chiefs of Staff General Martin E. Dempsey, January 26, 2012.

<sup>63</sup> Michelle Tan, “Forces Will Act as Mobile Response Force: 15,000 in Kuwait at Least for Now,” *Army Times*, January 16, 2012.

<sup>64</sup> U.S. Department of Defense Publication, *Sustaining U.S. Global Leadership: Priorities for 21<sup>st</sup> Century Defense*, (continued...)

implication is that a permanent U.S. presence in the region will be significantly reduced. Given the nature of the role of the Army in Europe, reduced presence might be considered by some as a strategically acceptable risk. Others, however, believe any further drawdown of U.S. forces could have a detrimental impact on regional security.

The remaining two BCTs—the 2<sup>nd</sup> Stryker Cavalry Regiment in Vilseck, Germany, and the 173<sup>rd</sup> Airborne BCT in Vicenza, Italy—will represent the only remaining European-based power projection forces. These BCTs and supporting units are also viewed by some as being a deterrence to potential “Russian adventurism” and also serve as a form of reassurance and U.S. commitment to former Soviet-controlled states.<sup>65</sup> These states, some of whom are NATO’s newest members, could feel “abandoned” if the United States were to remove all ground combat forces from Europe and “might well cede political ground to Moscow, and politicians overly friendly to Russia may find new voter support.”<sup>66</sup> In terms of the power projection value of the two remaining BCTs, reports note that they are closer to the Middle East and Africa than U.S.-based units and that their support units can also support U.S. Special Operations Forces transiting Europe en route to missions elsewhere.<sup>67</sup> It was also noted aside from these two U.S. BCTs and supporting forces, only France and Britain have “the ability to project substantial military power in defense of alliance interests,”<sup>68</sup> which some consider an important capability given the instability on the European periphery.

Senior U.S. Army leaders in Europe describe the Army’s role as being prepared to conduct full-spectrum operations, focusing on asymmetric warfare, but in particular training NATO partner and non-NATO European forces in counterinsurgency in preparation for deployment to Afghanistan.<sup>69</sup> As NATO and the United States plan to end operations in Afghanistan in 2014, it appears that the primary mission for the U.S. Army in Europe will conclude, although Army leaders contend U.S.-based units will continue to rotate to Europe in company and battalion-sized units for a few weeks or two months at a time to engage and train with our European partners to “build partner capacity.”

There are also concerns if the final two BCTs in Europe are inactivated or returned to the United States that it would be difficult to justify retaining the other Title X forces—aviation, air and missile defense, engineer, and military police brigades, for example—in Europe.<sup>70</sup> As a second-order effect, if some or all of these units were deactivated, it could be difficult to justify keeping the Joint Maneuver Training Command (JMTC) and other supporting organizations open as well. The JMTC—which conducts live fire, force-on-force maneuver, and simulations training for U.S. and allied forces—and other organizations such as the Non-Commissioned Officers (NCO) Academy are considered by some as important contributors to U.S. and NATO combat readiness.

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(...continued)

January 2012, p. 6.

<sup>65</sup> Bloomberg View, “Bring Two Brigades Home from Europe Isn’t U.S. Retreat,” *Bloomberg.com*, January 17, 2012.

<sup>66</sup> Ibid.

<sup>67</sup> Thom Shanker and Steven Erlanger.

<sup>68</sup> Ibid.

<sup>69</sup> Thom Shanker and Steven Erlanger, “U.S. Faces New Challenge of Fewer Troops in Europe,” *New York Times*, January 14, 2012, and Michelle Tan and Richard Sandza, “European Pullout: Plan to Move 2 BCTs and Up to 10,000 Soldiers Could Start in October,” *Army Times*, January 23, 2012.

<sup>70</sup> From CRS discussions with U.S. Army Europe staff October 21-25, 2012 in Grafenwohr, Germany.

## **Rest of the World and “Small Footprint Operations”**

The Administration’s new strategic guidelines call for using “innovative, low-cost, small footprint approaches to achieve our security objectives, relying on exercises, rotational presence, and advisory capabilities,” particularly for Africa and Latin America.<sup>71</sup> While the strategic guidelines can be viewed as lacking in detail—understandable to a degree as DOD refines its strategy—the concept of “innovative, low-cost, and small footprint approaches” appears ambiguous at best. Such ambiguity appears not in keeping with the growing security challenges posed by Central and South America and Africa. These types of approaches are most commonly associated with the U.S. Special Operations Forces (SOF) and, while the new security guidelines state SOF is to be “freed up” from many of its current commitments to undertake these kinds of missions, the limited size of SOF suggests that Army general purpose forces will also be called upon to perform in this capacity.

Aside from cultural and language acumen (which can be improved by training), it can be argued there could be a degree of risk in employing small (squad, platoon, or company-sized) general-purpose Army units in this type of role. While the Army might counter that squad, platoon, and company-level operations were the norm in Iraq and Afghanistan, these operations were conducted under the strict purview of progressively higher levels of headquarters that exercised command and control and provided support to these small units. In a small footprint approach, it is assumed that a squad/platoon/company would be deployed independently in Africa or Central or South America to accomplish a wide range of objectives that might not conform with their traditional combat roles. In addition, while not denigrating Army junior officer and non-commissioned officer leadership, the political and cultural nuances of these types of “innovative small footprint” operations could prove to be highly challenging. In this regard, this type of risk could be mitigated by augmenting Army general purpose forces with small numbers of U.S. SOF personnel to assist and advise conventional unit leadership.

## **Potential Impact on Major Army Weapon Systems Programs**

Because DOD and the Army have yet to determine how many Active BCTs, headquarters, and supporting units will be cut and how BCTs and headquarters and other supporting units will be organized, it is difficult to assess the impact of these changes on major Army weapon systems programs. In the Army’s FY2013 Budget Request, priorities for investment in ground systems are noted as<sup>72</sup>

- The Network;<sup>73</sup>

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<sup>71</sup> U.S. Department of Defense Publication, *Sustaining U.S. Global Leadership: Priorities for 21<sup>st</sup> Century Defense*, January 2012, p. 3.

<sup>72</sup> Assistant Secretary of the Army (Financial Management and Comptroller), FY2013 President’s Budget Highlights, February, 2012, p. 18.

<sup>73</sup> According to the Army, “the Network will enable soldiers to access key information anytime, anyplace; share information to facilitate fire and maneuver, and survive in close combat; provide collaboration capability to aid in seizing and controlling key terrain; employ lethal and non-lethal capabilities, coupled with sensors, to effectively engage targets at extended ranges; distinguish among friend, enemy, neutral and noncombatant; and integrate indirect fires.” <http://www.bctmod.army.mil/>, accessed March 29, 2012.

- Ground Combat Vehicle (GCV);<sup>74</sup>
- Joint Light Tactical Vehicle (JLTV);<sup>75</sup>
- Armored Multi-Purpose Vehicle;<sup>76</sup> and
- Paladin Integrated Management Program.<sup>77</sup>

In addition to the aforementioned systems in various stages of development, the Army plans to continue modernizing its M-1 Abrams tanks, M-2 Bradley infantry fighting vehicles, and the Stryker fighting vehicle.<sup>78</sup>

All of these systems are employed in the BCTs, with the GCV, Armored Multi-Purpose Vehicle, Paladin, M-1 Abrams, and M-2 Bradley exclusive to the HBCTs. With the necessity of HBCTs being questioned and the strategic shift toward the Asia-Pacific region, it is possible the Army's 16 Active HBCTs could be cut further than the 2 HBCTs that are being eliminated from Europe. These reductions could have an appreciable impact on both systems in development, such as the GCV, and those legacy systems being modernized, such as the M-1 Abrams.

## Potential Budgetary Implications

The Administration's plan to reduce Active Army endstrength and reorganize, restructure, and re-station units is intended, in part, to respond to current and anticipated defense budget cuts. Projected cost savings from fewer soldiers, fewer units, less equipment, and perhaps fewer Army bases have not been made public, but General Odierno reportedly stated Army program terminations over the next five years are expected to save \$4.7 billion.<sup>79</sup> When asked earlier about the potential savings from cutting eight or more BCTs, General Odierno reportedly suggested that these cuts were expected to save "substantial amounts of money" but declined to provide a precise figure "due to the very complex nature of the arithmetic involved."<sup>80</sup> These statements seem to suggest that the Army does have estimates for overall projected cost savings but these figures have not been made public. In October 2012, Army leadership suggested changes in the

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<sup>74</sup> For additional information on the GCV, see CRS Report R41597, *The Army's Ground Combat Vehicle (GCV) Program: Background and Issues for Congress*, by Andrew Feickert.

<sup>75</sup> For additional information on the JLTV, see CRS Report RS22942, *Joint Light Tactical Vehicle (JLTV): Background and Issues for Congress*, by Andrew Feickert.

<sup>76</sup> The Armored Multi-Purpose Vehicle is intended to replace Vietnam-era M-113 personnel carriers that are still in use with Army forces.

<sup>77</sup> The Paladin is a 155mm indirect fires weapon, and, according to the Army, "The M109A6 Paladin Integrated Management Program is designed to maintain this fleet, and upgrade 600 Paladin systems to the latest configuration. The new PIM M109A6 Paladin Integrated Management (PIM) howitzer enhances the combat-proven M109A6 Paladin Self-propelled howitzer's reliability, maintainability, performance, responsiveness and lethality and provides increased commonality with the Bradley Fighting Vehicle (BFV) of the Heavy Brigade Combat Team (HBCT)."

<sup>78</sup> Assistant Secretary of the Army (Financial Management and Comptroller), FY2013 President's Budget Highlights, February, 2012, p. 18.

<sup>79</sup> Sebastian Sprenger, Tony Bertuca, and Jen Judson, "Army Expects \$4.7 Billion in Savings from Axed Programs," *InsideDefense.com*, February 13, 2012.

<sup>80</sup> Sebastian Sprenger, "Odierno: Army May Cut More than Eight Brigade Combat Teams," *InsideDefense.com*, January 27, 2012.

Army's force structure would begin to manifest themselves in the FY2015 Program Objective Memorandum (POM) budget cycle.<sup>81</sup>

While these changes will likely generate cost savings over time, there are costs associated with reducing manpower, eliminating and restructuring units, and possibly re-stationing units. Furthermore, as part of the Army's role in the Administration's new Asia-Pacific/Middle East-centric strategy, there might also be costs associated with the increased rotation of forces and increased engagement opportunities with allies and potential allies and other strategy-driven actions. When trying to assess the overall budgetary implications of the drawdown, restructuring brigades, and the Army's role under the new strategic guidelines, it is equally important that the costs associated with these endeavors are included in discussions on anticipated cost savings resulting from these actions.

## Relevant Legislative Provisions

### FY2013 National Defense Authorization Act (H.R. 4310)<sup>82</sup>

#### **SEC. 403. ANNUAL LIMITATION ON END STRENGTH REDUCTIONS FOR REGULAR COMPONENT OF THE ARMY AND MARINE CORPS.**

(a) ANNUAL LIMITATION ON ARMY END STRENGTH REDUCTIONS.—The end strength of the regular component of the Army shall not be reduced by more than 15,000 members during each of fiscal years 2014 through 2017 from the end strength of the regular component of the Army at the end of the preceding fiscal year.

(b) ANNUAL LIMITATION ON MARINE CORPS END STRENGTH REDUCTIONS.—The end strength of the regular component of the Marine Corps shall not be reduced by more than 5,000 members during each of fiscal years 2014 through 2017 from the end strength of the regular component of the Marine Corps at the end of the preceding fiscal year.

### Army's Concerns with Section 403 Limitations<sup>83</sup>

During a May 16, 2012, news briefing, Chief of Staff of the Army General Raymond Odierno expressed his concerns with limitations proposed under Section 403. General Odierno noted that Section 403 caps Army endstrength at 552,000 through FY2013, which will hinder the Army as the Army currently plans to be at about a 543,000 soldier endstrength by the end of FY2013. If Army endstrength reductions through FY2013 are capped in accordance with Section 403, the Army contends it will not be able to use attrition as originally intended and more soldiers would be involuntarily separated (forced out) of the Army than intended. General Odierno noted that he has conveyed these concerns to the House and will continue to work toward an agreement with Congress.

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<sup>81</sup> Tony Bertuca and Jen Judson, "Army General Weighs in on Force Structure Reductions, Vehicle Plans," *InsideDefense.com*, October 19, 2012.

<sup>82</sup> Report 112-705, National Defense Authorization Act for Fiscal Year 2013, Conference Report, December 18, 2012.

<sup>83</sup> Information in this section is taken from U.S. Department of Defense News Transcript, "DOD News Briefing with Gen. Odierno from the Pentagon," May 16, 2012.

**SEC. 1066. REPORT ON FORCE STRUCTURE OF THE UNITED STATES ARMY.**

(a) **REPORT REQUIRED.**—Not later than 90 days after the date of the enactment of this Act, the Secretary of the Army shall submit to Congress a report on the force structure of the Army.

(b) **ELEMENTS OF REPORT.**—The report required under subsection (a) shall include each of the following:

(1) A description of the planning assumptions and scenarios used to determine the size and force structure of the United States Army, including the reserve component, for the Future Years Defense Program for fiscal years 2014 through 2018.

(2) An evaluation of the adequacy of the proposed force structure for meeting the goals of the national military strategy of the United States.

(3) A description of any alternative force structures considered, including the assessed advantages and disadvantages of each and a brief explanation of why those not selected were rejected.

(4) The estimated resource requirements of each of the alternative force structures referred to in paragraph (3).

(5) An independent risk assessment of the proposed Army force structure, to be conducted by the Chief of Staff of the Army.

(6) Such other information as the Secretary of the Army determines is appropriate.

(c) **CLASSIFIED ANNEX.**—The report required by subsection (a) shall be in unclassified form but may include a classified annex.

## **Potential Issues for Congress**

There are a number of potential issues for Congress concerning reducing the size of the Active Army and potentially restructuring various Army formations and headquarters. These issues are further influenced by the Administration's decision to strategically reorient the United States to the Asia-Pacific and Mid-East regions. Potential issues include, but are not limited to the following:

### **Strategic Risk**

In his February 15, 2012, testimony to the House Armed Services Committee on the FY2013 DOD Budget, Chairman of the Joint Chiefs of Staff General Martin E. Dempsey noted:

The last, and perhaps most critical issue, is risk. This budget and the strategy it supports allow us to apply decisive force simultaneously across a range of missions and activities around the globe. They mitigate many risks, but they accept some as well, as all strategies must. The primary risks lie not in what we can do, but in how much we can do and how fast we can do it. The risks are in time and capacity. We have fully considered these risks, and I am convinced we can properly manage them by ensuring we keep the force in balance, investing in new capabilities, and preserving a strong reserve component. We can also

compensate through other means, such as effective diplomacy and strong partnerships. I believe that these risks are acceptable and that we will face greater risk if we do not change from our previous approaches.<sup>84</sup>

Chairman Dempsey's comments indicate risk is primarily in the areas of time (how quickly the Army can respond to a crisis) and capacity (how much can a smaller and reorganized Army accomplish). In this regard, Congress might choose to review how the Army will be reorganized to facilitate greater deployability. These changes can include both the organizational construct of BCTs, supporting units, and headquarters; how these forces are equipped; and where units are stationed to facilitate more responsive world-wide deployment. Another element of congressional review of strategic risk might also include an examination of the Army's operational capacity. This examination could address what missions the Army can accomplish without significant augmentation, how the Army would respond to multiple operations in different regions, and how the Army would sustain a smaller deployed force for an extended period, if required. Section 1066 of the FY2013 NDAA (H.R. 4310), which requires the Army to report within 90 days of its enactment on selected Army force structure issues, could provide a useful starting point for expanded discussions with the Army on deployability, capacity, and strategic risk.

## Health of the Force

The term "health of the force" has no precise definition but instead could be considered an amalgamation of factors such as soldier and family morale, soldier and unit proficiency, and recruiting and retention of soldiers—to name but a few.<sup>85</sup> During a February 17, 2012, hearing before the House Armed Services Committee on the Posture of the United States Army, Secretary of the Army John M. McHugh and Chief of Staff of the Army General Raymond T. Odierno testified:

We must draw down wisely to avoid stifling the health of the force or breaking faith with our soldiers, civilians and families. Excessive cuts would create high risk in our ability to sustain readiness. We must avoid our historical pattern of drawing down too much or too fast and risk losing the leadership, technical skills and combat experience that cannot be easily reclaimed. We must identify and safeguard key programs in education, leader development, health care, quality of life, and retirement—programs critical to retaining our soldiers.<sup>86</sup>

While tools for force reduction are described in previous sections, there appears to be a lack of detail as to *how* the Army will directly address these issues. In fact, it appears that the Army and DOD are only in the early stages of examining some components of "force health," such as "**proposing** a commission to review military retirement"<sup>87</sup> and "**identifying** and safeguarding key programs in education, leader development, health care, quality of life, and retirement."<sup>88</sup> This

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<sup>84</sup> Statement of General Martin E. Dempsey, USA, Chairman Joint Chiefs of Staff Before the House Armed Services Committee FY2013 Department of Defense Budget, February 15, 2012, p. 10.

<sup>85</sup> For additional information on how the health of the force can affect combat readiness see CRS Report R42334, *A Historical Perspective on "Hollow Forces,"* by Andrew Feickert and Stephen Daggett.

<sup>86</sup> Statement by The Honorable John M. McHugh, Secretary of the Army and General Raymond T. Odierno, Chief of Staff, United States Army Before the Committee on Armed Services, United States House of Representatives, Second Session, 112<sup>th</sup> Congress on the Posture of the United States Army, February 17, 2012, p. 17.

<sup>87</sup> Statement of General Martin E. Dempsey, USA, Chairman Joint Chiefs of Staff Before the House Armed Services Committee FY2013 Department of Defense Budget, February 15, 2012, p. 10.

<sup>88</sup> Statement by The Honorable John M. McHugh, Secretary of the Army and General Raymond T. Odierno, Chief of (continued...)



seems to suggest the Army and DOD do not have detailed and resource-informed plans to address the “health of the Army,” which could raise concerns as the Army will begin drawing down in FY2013. The lack of a comprehensive plan could lead to a series of poorly coordinated initiatives, and it might also have significant budgetary implications, as many of the programs cited—education, leader development, health care, quality of life, and retirement—could require significant budgetary outlays that have not yet been identified nor planned for.

Related to the “health of the force” is the Army’s initiative to “retain a slightly more senior force in the Active Army to allow growth if needed.”<sup>89</sup> As described, the Army intends to retain an unknown number of mid-grade officers and non-commissioned officers to form the basis of new units if the Army were required to expand rapidly. With fewer units and leadership positions available, there could be fewer opportunities for these mid-grade personnel to serve in the leadership and staff positions required for career advancement. In this case, unless the Army develops career-enhancing alternatives for these personnel, this initiative could result in an unintended “class system” in the Army mid-grade officer and non-commissioned officer ranks, which carries with it job satisfaction and morale implications for those personnel that cannot serve in career-advancing positions. It is not known if the Army has developed a career track for its additional mid-grade officers and non-commissioned officers or how it plans to “gainfully employ” these additional personnel. Congress, in its oversight capacity, might review the Army’s overall plan to address the “health of the force,” including how it intends to use and integrate additional mid-grade officers and non-commissioned officers.

## **Basing the Force**

There are a number of potential basing issues that Congress might choose to examine. While the Army has yet to release any details on how many and which BCTs, supporting units, and headquarters it intends to eliminate, it is possible that most, if not all, of the major units stationed at a particular Army base could be eliminated, thereby making that base a candidate for closure or realignment under BRAC. In order to avoid this situation, the Army might decide instead to eliminate an equal number of BCTs from each Active Army division (each division currently has four associated BCTs) to address BRAC vulnerability, but this option might not be the optimal solution for configuring and employing the force. In order to gain better insight on where the Army plans to base its Active units, Congress might require the Army to provide details on how the Army will reduce and restructure the force, citing specific units, headquarters, and other Army units to be eliminated or restructured, including the timeline for these proposed changes.

Another issue for examination could be how the Army intends to posture itself in response to the Asia-Pacific focused strategic guidelines. As previously noted, the Chief of Staff of the Army, General Odierno, has stated there would be minimal changes to U.S. Army force structure in the region.<sup>90</sup> The commander of U.S. Pacific Command (USPACOM) Admiral Robert Willard has reportedly stated that the United States “has no desire for new bases in the region” and would

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Staff, United States Army Before the Committee on Armed Services, United States House of Representatives, Second Session, 112<sup>th</sup> Congress on the Posture of the United States Army, February 17, 2012, p. 17.

<sup>89</sup> U.S. Department of Defense News Transcript, “Major Budget Decisions Briefing from the Pentagon,” presented by Secretary of Defense Leon E. Panetta and Chairman of the Joints Chiefs of Staff General Martin E. Dempsey, January 26, 2012.

<sup>90</sup> Army Chief of Staff Raymond T. Odierno Army Briefing on the FY-13 Budget Request, January 27, 2012.

pursue “a network of places close to the sea lanes of Southeast Asia where American forces can visit on rotation, avoiding the costly maintenance of bases.”<sup>91</sup> Towards this end, the Army is examining options for pre-positioning Army equipment in the Pacific, primarily to facilitate anticipated multi-lateral training in the region.<sup>92</sup> While these statements seemingly suggest a degree of “status quo” in terms of the Army in the Pacific, it is not known how the Army will address the challenges of this new strategy with current forces operating from their current bases in and around the region. In order to gain a greater understanding, Congress might opt to examine how the Army plans to posture itself in and around the Asia-Pacific region. If DOD does not pursue new bases, does the Army plan to bolster or alter its presence in Hawaii or South Korea or perhaps in Alaska or Joint Base Lewis-McCord in Washington, or will the Army maintain its current force posture and simply “project” forces into the region? Does the Army envision increasing or changing its presence in Japan or Guam, or perhaps establishing some sort of presence in Australia since the Army has indicated that it plans to preposition a BCT’s-worth of equipment in Australia? If the Army does not plan to expand its permanent presence in and around the region, Congress might wish to examine the Army’s plans to rotate forces throughout the region and whether such a transitory presence is more effective and cost-efficient than relying on Army units assigned to the region.

## National Guard and Reserves

As previously noted, the DOD plans to “retain a ready and capable Reserve Component” by means of

- slightly reducing Army/National Guard endstrength,
- sustaining increased readiness prior to mobilization, and
- maintaining key combat-support and combat service-support capabilities.

Furthermore, the Chief of Staff of the Army has suggested that cutting the active force by 80,000 soldiers will place greater reliance on the National Guard and Reserves, “particularly if the United States gets into two major long-term combat operations at the same time.”<sup>93</sup> This reliance will require reserve forces to be kept at a higher state of readiness than it did before the wars in Iraq and Afghanistan. Because of the requirement for higher readiness, a new readiness model will need to be developed to keep the National Guard and Reserves at a higher state of readiness.

This enhanced reliance on the National Guard and Reserves raises a number of potential concerns that Congress might choose to examine. Some of these issues include the following:

- If Active BCTs are restructured (i.e., adding a third maneuver battalion to IBCTs and HBCTs), will National Guard BCTs also be restructured?
- What force structure changes, if any, would be required in the Army National Guard and Reserves?

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<sup>91</sup> Paul Eckert, “U.S. Has No Desire for New Military Bases in Asia: Admiral,” *Reuters.com*, January 27, 2012.

<sup>92</sup> Carlo Munoz, “Army Shifting Combat Stockpiles to Pacific: Army Chief Odierno,” *AOL Defense*, February 17, 2012, and Jim Garamone, “Odierno Fleshes Out Pacific Strategy, Afghan Advisory Mission,” *American Forces Press Service*, February 21, 2012.

<sup>93</sup> Information in this section is taken from Lolita C. Baldor, “Army Chief Sees Greater Role for Guard and Reserves,” *Norfolk Virginian-Pilot*, January 27, 2012.

- What constitutes a “higher state of readiness” for the National Guard and Reserves? Does this mean they must be ready to deploy at short notice like their Active Duty counterparts or that they must be manned, equipped, and trained in the same manner as Active forces? Will this “higher state of readiness” apply to all Army Guard and Reserve units or just some? If it is just the latter, what percentage of Reserve force structure will be maintained at this “higher state of readiness?”
- In order to facilitate this “higher state of readiness” will National Guard and Reserves need to be relocated to other bases—perhaps Active Army bases—for training and deployment purposes?
- Will legal authorities covering the National Guard and Reserves need to be modified to facilitate greater levels of readiness? Will members of the Guard and Reserve and their employers be able to accept these extended duty requirements?
- Is there an overall “price tag” associated with changes in the National Guard and Reserves that will be required for this enhanced readiness standard?
- What is the role, if any, of the newest member of the Joint Chiefs of Staff—the Chief of the National Guard Bureau—in developing a new readiness construct for the National Guard and Reserves?

## **Appendix. Title 10 Drawdown Authorities<sup>94</sup>**

Several authorities in Title 10 result in involuntary separation. They were used sparingly during the post-Cold War drawdown and always preceded by the offer of voluntary incentives. These involuntary tools include the following:

### **Title 10 Drawdown Authorities—Involuntary**

#### **Selective Early Retirement Boards (SERB)<sup>95</sup>**

Selective Early Retirement is the involuntary retirement of senior officers who are (1) serving lieutenant colonels or commanders (Navy) who have been twice non-selected for promotion to colonel or captain (Navy) or (2) are serving colonels or captains (Navy) who have at least four years in grade and have not been selected for promotion. If not selected for SERB, an officer cannot be considered for another five years. Those selected must be retired not later than the first day of the seventh month after the Secretary concerned approves the recommendation for retirement. While considered involuntary, those selected will receive retired pay and remain eligible for military healthcare and the other benefits associated with military retirement.

#### **Reduction-in-Force (RIF)<sup>96</sup>**

Reduction-in-Force is the second involuntary program available for downsizing the officer cohorts. While SERB is focused on those with 20 or more years of service, RIF is directed at those with more than 6 but less than 20 years of service. While the post-Cold War drawdown emphasized voluntary separations and retirements, RIF was available (but used sparingly) if the voluntary programs did not generate adequate volunteers.

#### **2012 Enlisted Qualitative Service Program (QSP)<sup>97</sup>**

On March 14, 2012, the Army announced the initiation of the Enlisted Qualitative Service Program (QSP) directed toward the grades of staff sergeant through command sergeant major. Under these provisions, those soldiers under consideration for this program can opt to separate voluntarily in lieu of being subjected for review by the QSP board.

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<sup>94</sup> For a detailed discussion of each drawdown authority, see David McCormick's "The Downsized Warrior: America's Army in Transition," 1998.

<sup>95</sup> §638, Title 10.

<sup>96</sup> §647, Title 10.

<sup>97</sup> Information in this section is taken from Army Message dated 141359Z March 2012, Subject: Enlisted Qualitative Service Program (QSP).

## **Title 10 Drawdown Authorities— Voluntary<sup>98</sup>**

The drawdown tools available during the post-Cold War drawdown are still available to force planners, with several of them recently reinstated by the FY2012 NDAA. These programs were used extensively during the post-Cold War drawdown of the 1990s. While these tools are available to all of the services, the following descriptions will focus on Army programs for the drawdown. They include the following:

### **Voluntary Retirement Incentive<sup>99</sup>**

The Voluntary Retirement Incentive is the one incentive that was not available during the post-Cold War drawdown; it was introduced in the FY2012 NDAA. This program targets retirement-eligible servicemembers with between 20 and 29 years of service. The amount of the incentive is determined by the Service Secretary but may not exceed the member's annual basic pay. In exchange for the payment, the servicemember agrees to retire. The program is capped at no more than 675 officers, and the program expires on December 31, 2018.

### **Voluntary Separation Incentive (VSI)<sup>100</sup>**

The Voluntary Separation Incentive (VSI) is an incentive that is paid annually for twice the number of years the individual served on active duty. Servicemembers must have served between 6 and 20 years and additional eligibility criteria are established by the Service Secretary. The formula for determining the annual annuity is 2.5% times monthly basic pay at the time of separation, times 12, times the number of years of service. The original authority for this incentive was the National Defense Authorization Act for 1992/1993,<sup>101</sup> which terminated the program on December 31, 2001. The VSI program was reinstated by the FY2012 NDAA<sup>102</sup> for the period December 31, 2011, through December 31, 2018.

### **Special Separation Bonus (SSB)<sup>103</sup>**

The Special Separation Bonus (SSB) is a voluntary separation incentive available to any eligible member of the Armed Forces. SSB is a lump sum payment equal to 15% times years of service (YOS) and 12 times monthly basic pay. To be eligible, members must have served for more than 6 years but for less than 20. Other requirements may be established by the Service Secretary. The original authority for the SSB program also expired on December 31, 2001, but was reinstated by the FY2012 NDAA<sup>104</sup> for the period December 31, 2011, through December 31, 2018.

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<sup>98</sup> Calculating the actual value of any of these voluntary programs requires individual calculations best done by a finance and accounting professional.

<sup>99</sup> §504, P.L. 112-81, December 31, 2011.

<sup>100</sup> §1175, Title 10.

<sup>101</sup> P.L. 102-190, December 5, 1991.

<sup>102</sup> §504, P.L. 112-81, December 31, 2011.

<sup>103</sup> §1174a, Title 10.

<sup>104</sup> §504, P.L. 112-81, December 31, 2011.

VSI and SSB were complementary programs that were both offered to eligible populations. The primary difference was that VSI was an annuity program, while SSB represents a lump sum payment. Those who volunteer for VSI or SSB do not receive retirement benefits such as a lifelong annuity and retiree health care benefits, although they may later qualify for retirement through reserve service.

### **Temporary Early Retirement Authority (TERA)<sup>105</sup>**

The Temporary Early Retirement Authority (TERA) provided an opportunity for eligible officers, warrant officers, and enlisted personnel to retire prior to completion of 20 years of service. Those in selected grades and skills could voluntarily retire with as few as 15 years of service. TERA retirees have their retired pay reduced for every year less than 20. However, as a retiree, they remain eligible for retired pay; military healthcare; commissary and exchange privileges; and Morale, Welfare and Recreation activities. The original TERA program expired on September 1, 2002, but has been reauthorized by the FY2012 NDAA. The current program began on December 31, 2011, and extends through December 31, 2018.

### **Voluntary Early Release/Retirement Program (VEERP)<sup>106</sup>**

This voluntary program targeted the most junior and the most senior ends of the officer spectrum, with the incentive being a reduction in service obligation. Junior officers (lieutenants and captains) were permitted to resign prior to fulfilling their active duty obligation (five years for U.S. Military Academy graduates, four years for most ROTC scholarship graduates, and three years for Officer Candidate School graduates). Senior officers (lieutenant colonels and colonels) were permitted to retire at their present rank, waiving one year of the existing retirement eligibility criteria (normally three years). For example, a colonel could retire as a colonel but with only two years in grade, rather than the usual three years. This authority was originally included in the FY1991 NDAA.

### **“Early Outs”<sup>107</sup>**

Service Secretaries have the authority to discharge enlisted servicemembers up to three months prior to the end of their term of enlistment. The FY2012 NDAA<sup>108</sup> expanded the three-month standard to one year with no loss of benefits for the members taking advantage of this opportunity. However, members are not entitled to pay and allowances for the period not served. There is no termination date associated with this authority.

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<sup>105</sup> §1293, Title 10 (note).

<sup>106</sup> §647, Title 10.

<sup>107</sup> §1171, Title 10.

<sup>108</sup> §525, P.L. 112-81, December 31, 2011.

## Other Personnel Tools with Drawdown Implications

### Enlisted Retention Control Points

The military expects that individual performance will result in the periodic promotion of enlisted personnel as their military experience increases and as their individual responsibility within the organization grows. Those who do not progress in a timely manner may be separated prior to the end of their term of service. This policy is implemented through a series of retention control points that dictate how long a servicemember may remain at the current rank/grade before being promoted. Those who fail promotion in a timely manner can be separated prior to their normal term of service. These retention control points can be adjusted over time and can aid in force shaping by separating those with less potential.

The current and previous Army retention control points are shown in **Table A-1**

**Table A-1. Army Retention Control Points (RCP)**  
 (“Shaping the enlisted force through tenure”)

Rank	Previous RCP	Current RCP (as of June 1, 2011)
Private and Private First Class	8 years	5 years
Specialist	10 years	8 years
Promotable Specialist	15 years	12 years
Sergeants	15 years	13 years
Promotable Sergeants	20 years	15 years
Staff Sergeants	23 years	20 years

**Notes:** The previous RCP allowed a Sergeant (E-5) to remain on active duty until retirement eligibility at 20 years of service. With the recent tightening of these standards, a Sergeant must separate at 13 years and only the Staff Sergeant (E-6) may remain until 20 years.

### Officer Promotion Non-selection

The military’s officer management system is an “up or out” system—officers who fail to promote after being twice considered for the next higher grade may be involuntarily separated. To support the officer manpower requirements during the decade of OIF and OEF, many non-selected officers were selectively continued in their current grade. In addition, the OIF/OEF period was one of unusually high promotion selection rates (opportunity) and reduced time-in-grade (timing) before promotion consideration. With the withdrawal of U.S. forces from Iraq and the gradual drawdown of forces in Afghanistan, the services are again enforcing the standards for promotion and retention. The promotion timing and opportunity standards established by DOD are shown in **Table A-2**.

**Table A-2. Promotion Timing and Opportunity**

To Grade	Opportunity	Timing
Major/Lieutenant Commander	80 percent	10 years +/- 1 year
Lieutenant Colonel/Commander	70 percent	16 years +/- 1 year
Colonel/Captain	50 percent	22 year +/- 1 year

**Source:** DOD Instruction 1320.13, July 22, 2009.

**Notes:** Major, Lieutenant Colonel, and Colonel apply to the Army, Marine Corps, and Air Force. Lieutenant Commander, Commander, and Captain apply to the Navy.

Most recently, the Air Force involuntarily separated 157 majors who had been twice non-selected for promotion to lieutenant colonel.<sup>109</sup> These officers received separation pay and other transition benefits and may be eligible to transfer to the Air National Guard or Air Force Reserve but their Active Duty careers have ended.

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<sup>109</sup> *The Wall Street Journal*, “Air Force Is Following Congress’s Mandate, as It Must,” January 6, 2012.